

1966

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GIANT EXPLORATIONS
LIMITED

N.P.L.



prospectus

1825 - 355 BURRARD STREET, VANCOUVER 1, B.C.



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702,146 shares
without nominal or par value

GIANT EXPLORATIONS LIMITED

(NON-PERSONAL LIABILITY)

(Incorporated under the laws of the Province of British Columbia)

The Company is offering to sell 702,146 shares of its capital stock at a price of 50 cents per share net to the treasury of the Company, subject only to a fee payable to its fiscal agent, C. M. Oliver & Company Limited. This offering is made by way of the issuance to the shareholders of the Company (other than Giant Mascot Mines Limited (N.P.L.)) of subscription warrants representing share rights. Such warrants are being issued on the basis of two such rights for every share in the Company held by a shareholder as a result of the distribution by Giant Mascot Mines Limited (N.P.L.) to its own shareholders, in the form of a dividend, of certain shares of the Company which it has purchased for cash at 50 cents per share.

Each warrant distributed represents a number of share rights. Each share right entitles the holder thereof to purchase one of the shares now offered on payment of the subscription price of 50 cents per share. A shareholder may exercise all or any of the share rights issued to him and may dispose of any remainder prior to the expiry of the share rights at 4:00 p.m. (Pacific Standard Time) on April 4, 1966, after which time the subscription warrants will be entirely void.

All such shares offered by this prospectus as are not taken up by shareholders exercising their share rights will be purchased, within 72 hours after the expiry of the share rights, by C. M. Oliver & Company Limited, acting as an underwriter, and this prospectus contemplates the distribution of all or any of the shares so purchased to the public.

It is anticipated that the share rights will be traded by members of the Vancouver Stock Exchange.

Executive Office:

Suite 1825, Marine Building,
355 Burrard Street,
Vancouver 1, British Columbia.

Registered Office:

Suite 625, The 925 West Georgia Building,
925 West Georgia Street,
Vancouver 1, British Columbia.

Registrar and Transfer Agent:

Canada Permanent Trust Company,
455 Granville Street,
Vancouver 1, British Columbia.

Auditor:

Roger M. Hoyland, Esq., C.A.,
Suite 1433, Marine Building,
355 Burrard Street,
Vancouver 1, British Columbia.

Solicitors:

Messrs. Ainsworth, Henson, Norby, Purvis &
Kendall

Suite 625, The 925 West Georgia Building,
925 West Georgia Street,
Vancouver 1, British Columbia.

No person is authorized by the Company to give any information, or make any representation other than those contained herein, in connection with the issue and sale of the shares referred to herein. Any such information or representation (if given or made by any person) cannot be relied upon as having been authorized by the Company.

A purchase of the securities offered by this prospectus must be considered a speculation.

No Securities Commission or similar authority in Canada has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

PURPOSE OF ISSUE

The Company has acquired properties of merit for exploration in three different areas: the Nahwitti Lake area of northern Vancouver Island, British Columbia; the Pine Point area of the North West Territories; and the Vangorda Creek area of the Yukon Territory.

The Nahwitti Lake property consists of an option to purchase some 75 recorded mineral claims, and 8 adjoining claims which the Company owns outright, all of which mineral claims are more particularly described in paragraph (m) A of the accompanying Statutory Information. Prospecting, exploration and preliminary development of this property prior to its acquisition by the Company has disclosed some 15 mineral occurrences in one zone along a length of 4,500 feet, consisting of lead and zinc mineralization with varying silver values, and some pyrite, pyrrhotite and magnetite. In another zone along the south shore of Nahwitti Lake, a number of showings containing lead-zinc-copper mineralization have been exposed. R. H. D. Philp, P.Eng., in his report dated November 24, 1965 (a copy of which forms part of this Prospectus), has recommended geological mapping, geochemical sampling, a geophysical survey (electro-magnetic) and diamond drilling; and the Company intends to carry out these recommendations.

The Pine Point properties of the Company consist of two groups owned outright by the Company: the A.B. group of 27 claims, situate 6 miles south of Great Slave Lake and 20 miles east of Hay River; and the MAG group of 40 claims, situate 10 miles due east of Pine Point and 7 miles south of Great Slave Lake. In his report

on these properties dated January 25, 1966 (a copy of which forms part of this Prospectus) Walter E. Clarke, P.Eng., has pointed out that a major fault in the basement Precambrian rocks mapped by A. W. Norris in 1965 traverses the south-east corner of the A.B. group, and that, similarly, a major fault in the basement rock traverses a portion of the MAG group. The Company intends to carry out the recommendations contained in the said report consisting of an induced polarization survey of both groups on grid lines not more than 500 feet apart and the diamond-drilling of any anomalous areas which might be disclosed by such surveys.

The Vangorda Creek property consists of 16 Quartz mining claims, owned outright by the Company, known as the OK group, adjoining the Ace group owned by Dynasty Explorations Limited, near the headwaters of Blind Creek in the central Yukon Territory, some 180 miles northeast of Whitehorse, Y.T. In his report on this property dated January 15, 1966 (a copy of which forms part of this Prospectus), Rae G. Jury, P.Eng., has pointed out that it is underlain by the favourable Mississippian schists of the Vangorda Creek area and lies immediately south of a large aeromagnetic anomaly on the Ace group of Dynasty Explorations Limited. His report recommends prospecting and geological mapping, the preparation of a base line and picket lines at 400-foot spacing, soil testing, a magnetometer and electro-magnetic survey and surface testing, diamond drilling or percussion drilling of any anomalies which may be indicated by such surveys. The Company intends to carry out the work so recommended.

STATUTORY INFORMATION

(a) The full name of the Company is GIANT EXPLORATIONS LIMITED (Non-Personal Liability) ('the Company'). The Registered office is situate at Suite 625, The 925 West Georgia Building, 925 West Georgia Street, Vancouver 1, British Columbia.

(b) The Company was incorporated under the "Companies Act" of the Province of British Columbia, R.S.B.C., 1960, Chapter 67 and amendments thereto, by Certificate of Incorporation dated November 22, 1965.

(c) There have been no amendments to the Memorandum of Association.

(d) The Directors of the Company are as follows:

President and Managing Director: W. Clarke Gibson, Executive, 3535 W. 47th Avenue, Vancouver 13, B.C.

Vice-President, Director and General Manager: Louis P. Starck, Mining Engineer, 3958 Bayridge Court, West Vancouver, B.C.

Director: A. James Chilcott, Stockbroker, 402 Brand Street, North Vancouver, B.C.

Director: John Lambert Gibson, Executive, 5775 Angus Drive, Vancouver 13, B.C.

Director: William A. McElmoyle, Physician and Surgeon, Suite 1002, 1420 Beach Drive, Victoria, B.C.

In addition, the following persons are Officers of the Company but not Directors:

Secretary: Allan H. Ainsworth, Barrister and Solicitor, 1205 West 26th Avenue, Vancouver 9, B.C.

Treasurer: Stinson Clarke, Executive, 901 Wavertree Road, North Vancouver, B.C.

There are no promoters of the Company other than Giant Mascot Mines Limited (N.P.L.), a Company duly incorporated under the "Companies Act" of the Province of British Columbia, and listed on the Vancouver and Toronto Stock Exchanges, with its executive offices situate at Suite 1825, 355 Burrard Building, Vancouver 1, British Columbia.

(e) The Auditor of the Company is Roger MacNaughton Hoyland, Chartered Accountant, of Suite 1433, 355 Burrard Street, Vancouver 1, British Columbia.

(f) Canada Permanent Trust Company, of 455 Granville Street, Vancouver 1, British Columbia, is the Registrar and Transfer Agent of the Company.

(g) The Company is authorized to issue 5,000,000 shares without nominal or par value, of which 851,078 are presently issued and outstanding as fully paid and non-assessable.

(h) No bonds or debentures of the Company are outstanding and none are proposed to be issued at this time.

(i) A total of 500,000 shares are presently held in escrow by Canada Permanent Trust Company, of 455 Granville Street, Vancouver 1, British Columbia, and these shares will not be released from or transferred within escrow without the prior written consent of the Superintendent of Brokers of the Province of British Columbia.

(j) Particulars of the shares sold for cash are as follows:

Shares Sold	Price per Share	Discount per share	Cash Received	Commission Paid
5	50¢	Nil	\$ 2.50	Nil
351,073	50¢	Nil	\$175,536.50	Nil

(k) no securities, other than the shares sold for cash as set out above and 500,000 shares which have been issued for properties as set out in paragraph (m) hereof, have been sold by the Company.

(l) There are no shares issued, or to be issued, or cash paid or to be paid to any promoter other than to Giant Mascot Mines Limited (N.P.L.) as set out in paragraph (m) hereof.

(m) Particulars of the mining properties of the Company are as follows: (i), (ii) and (iii) —

A. The Nahwitti Lake Property:

1. The Company holds by assignment an option to purchase 45 recorded mineral claims, situate in the Nanaimo Mining Division, near Nahwitti Lake, some 19 miles west of Port Hardy on northern Vancouver Island, in the Province of British Columbia, more particularly described as follows:

Name of Claim	Record Number	Name of Claim	Record Number
HPH No. 1	8597	Gigi	18021
HPH No. 2	8598	Joanne	18022
HPH No. 3	8599	Noxie	18023
Norman No. 1	17384	Pagoda	18024
Norman No. 2	17385	Weevils Club	18025
L.P.S. No. 1	17859	Aldbush	18026
L.P.S. No. 2	17860	Teapot	18027
L.P.S. No. 3	17861	Peapot	18028
L.P.S. No. 4	17862	Wubble U	18029
R.L.H. No. 1	17863	Open Up	18030
R.L.H. No. 2	17864	Seaside	18031
R.L.H. No. 3	17865	Hillside	18032
R.A.S. No. 1	17866	Doinspiece	18033
R.A.S. No. 2	17867	Rackafratz	18034
R.A.S. No. 3	17868	Norma	18035
R.A.S. No. 4	17869	Judy	18036
Dolores	18015	Crab	18037
Debbi	18016	Arapahoe	18038
Diane	18017	Last Post	18039
Dodi	18018	Last Gasp	18040
Dolly	18019	Finger Fr.	18041
Donna	18020	Amex It Fr.	18042
		Fracture Fr.	18043

The above described mineral claims are recorded in the names of the Optionors, subject to the Company's option which is registered against the title.

The option held by the Company referred to above was granted by Archie Meade Hepler, of 5889 Neville Street, Burnaby, British Columbia, Prospector, and Silas Seth Pugh, of 1973 McTavish Road, R.R. No. 1, Saanichton, British Columbia, Prospector, as the Optionors, under an option agreement dated June 15, 1965. The total purchase price payable for the optioned property is the sum of \$150,000.00, of which the sum of \$1,800.00 was

paid prior to the assignment of the option to the Company, and the balance is payable in monthly instalments of \$200.00 each payable in equal shares to the Optionors. In the event that the property is brought into commercial production, 10% of the net smelter returns from all ore or concentrates from the optioned property is to be paid to the Optionors in reduction of the purchase price. There is no person or company known to the Company who has received or is to receive from the Optionors any share of the purchase price paid or to be paid to the Optionors for the optioned property. The option was assigned to the Company under an agreement dated December 29, 1965, by the said Giant Mascot Mines Limited (N.P.L.), which received in consideration therefor and for the A.B. group in the Pine Point area and the O.K. claims in the Yukon Territory (both herein-after described) 500,000 shares of the Company as fully paid and non-assessable. There is no person or company who is to receive any portion of the share consideration paid by the Company to the said Giant Mascot Mines Limited (N.P.L.) as aforesaid.

2. The Company has caused to be located an additional 30 recorded mineral claims adjoining the above described mineral claims. These additional mineral claims, by virtue of a provision contained in the option agreement assigned to the Company, are subject to the terms and conditions therein contained and together with the 45 mineral claims already described are hereinafter referred to as 'the optioned property'. The 30 mineral claims in question are more particularly described as follows:

Name of Claim	Record Number
Audrey Nos. 1 to 3, incl.	18260 to 18262, incl.
Silva Nos. 1 to 6, incl.	18263 to 18268, incl.
Aqua Nos. 1 to 10, incl.	18275 to 18284, incl.
Ruth Nos. 1 to 10, incl.	18285 to 18294, incl.
Violet	18274

3. In addition, the Company is the recorded and beneficial owner of 4 recorded mineral claims which it caused to be located adjoining the optioned property but lying outside the boundaries thereof. These 4 recorded mineral claims are more particularly described as follows:

Name of Claim	Record Number
Silva Nos. 7 to 10, inclusive	18269 to 18272, inclusive

4. The Company has purchased and is the recorded and beneficial owner of a further 4 recorded mineral claims ('the Rain claims') adjoining the 4 mineral claims described above but lying outside the boundaries of the optioned property. These 4 recorded mineral claims are more particularly described as follows:

Name of Claim	Record Number
Rain Nos. 1 to 4, inclusive	18213 to 18216, inclusive

The Rain claims were purchased by the Company from Alrae Exploration Ltd., of 1198 West Pender

Street, Vancouver, 1 British Columbia, for a cash purchase price of \$800.00.

B. The Pine Point Properties:

1. The Company is the recorded and beneficial owner of 27 recorded mineral claims ('the A.B. group'), situate approximately 6 miles south of Great Slave Lake and 20 miles east of the Town of Hay River in the Mackenzie Mining District of the North West Territories, and more particularly described as follows:

Name of Claim	Tag Number
A.B. No. 1	N.30750
A.B. Nos. 2 to 27, inclusive	N.30752 to N.30777, inclusive

The A.B. group was purchased by the Company from the said Giant Mascot Mines Limited (N.P.L.) as set out in A.1 hereof.

2. The Company is also the recorded and beneficial owner of another group of 40 recorded mineral claims ('the MAG group'), situate 5 miles east of the mining properties of Pyramid Mines Ltd., in the Mackenzie Mining District of the North West Territories, and more particularly described as follows:

Name of Claim	Tag Number
MAG Nos. 39 to 43, incl.	N.52639 to 52643, incl.
MAG Nos. 46 to 50, incl.	N.52646 to 52650, incl.
MAG Nos. 53 to 57, incl.	N.52653 to 52657, incl.
MAG Nos. 60 to 64, incl.	N.52660 to 52664, incl.
MAG Nos. 67 to 71, incl.	N.52667 to 52671, incl.
MAG Nos. 74 to 78, incl.	N.52674 to 52678, incl.
MAG Nos. 81 to 85, incl.	N.52681 to 52685, incl.
MAG Nos. 88 to 92, incl.	N.52688 to 52692, incl.
The MAG group was located for the Company on a contract basis by H. L. Hill & Associates Ltd., of 844 West Hastings Street, Vancouver 1, British Columbia, at a cost to the Company of \$3,400.00.	

C. The Vangorda Creek Property:

The Company is the recorded and beneficial owner of 16 Quartz mining claims ('the O.K. group'), situate in the Whitehorse Mining District of the Yukon Territory, near the headwaters of Blind Creek, some 9 miles north of Swim Lakes and 40 miles northwest of the Town of Ross River and 180 miles northeast of Whitehorse, Y.T. The O.K. group is more particularly described as follows:

Name of Claim	Record Number
O.K. Nos. 9 to 24, inclusive	94988 to 95003, inclusive

The O.K. group was purchased by the Company from the said Giant Mascot Mines Limited (N.P.L.) as set out in A.1 hereof.

- (m) (iv), (v), (vi), (vii) and (viii) —

For particulars of the character, extent and condition of the underground and surface exploration and development, the history of the Company's several properties, the means of access thereto and the work done, see the following reports, copies of which accompany and form part of this Prospectus:

A. Report on the Nahwitti Lake Property by R. H. D. Philp, P.Eng. (British Columbia) of Alrae Exploration Limited, dated November 24, 1965;

B. Report on the Pine Point Properties by Walter E. Clarke, P.Eng. (Ontario), of Alrae Exploration Limited, dated January 25, 1966;

C. Report on the Vangorda Creek Property by Rae G. Jury, P.Eng. (British Columbia), of Alrae Exploration Limited, dated January 15, 1966.

The Company does not presently own any underground or surface plant or equipment.

(n) The 702,146 shares offered by this Prospectus are first being offered to the shareholders of the Company by way of the distribution to them of subscription warrants representing the right to purchase two additional shares of the Company at the price of 50 cents per share net to the treasury for every share held by a shareholder by virtue of the distribution by Giant Mascot Mines Limited (N.P.L.) to its shareholders of record as of January 27, 1966, as a dividend, of 351,073 shares of the Company purchased by it for cash at 50 cents per share.

There are no securities of the Company in respect of which options or underwriting agreements have been made, or are to be given or proposed to be given by the Company, other than an underwriting agreement dated January 31, 1966, between the Company and C. M. Oliver & Company Limited, of 821 West Hastings Street, Vancouver 1, B.C., under the terms of which the Underwriter has agreed to purchase at a price of 50 cents per share net to the treasury (subject only to the payment to the Underwriter, as the fiscal agent of the Company, of a fee for such underwriting in the sum of \$35,000.00), any of the 702,146 shares offered by this Prospectus which are not taken up by shareholders of the Company exercising the share rights issued to them by the Company. Any such shares so purchased by the Underwriter cannot be resold by the Underwriter at a price greater than \$1.00.

(o) It is the Company's intention to carry out the recommendations of its consultants, R. H. D. Philp, P.Eng., Walter E. Clarke, P.Eng., and Rae G. Jury, P.Eng., with respect to its several properties in the reports referred to in item (m) (v), (vi), (vii) and (viii) hereof. No part of the proceeds will be used to invest, underwrite or trade in securities other than those that qualify as investments in which trust funds may be invested under the laws of the jurisdiction in which the securities offered by this Prospectus may lawfully be sold. Should the Company propose to use the proceeds to acquire securities of a non-trustee character after the initial distribution of the securities offered by this Prospectus, approval by the shareholders will be obtained and disclosure will be made to the regulatory securities bodies having jurisdiction over the sale of the securities offered by this Prospectus.

(p) The preliminary expenditures incurred by the Company are estimated to be \$5,000.00.

(q) No substantial indebtedness is intended to be created or assumed.

(r) The following is a summary of the business record of each of the Directors of the Company during the past three years:

W. Clarke Gibson. President and Managing Director of Giant Mascot Mines Limited (N.P.L.); Director of Gibson Bros. Industries Limited.

Louis P. Starck. Vice-President, Director and General Manager of Giant Mascot Mines Limited (N.P.L.); previously Consulting Mining Engineer and Manager of Giant Mascot Nickel Mine near Hope, B.C.

A. James Chilcott. President of C. M. Oliver & Company Limited, member of the Board of Governors of the Vancouver Stock Exchange; Director of Giant Mascot Mines Limited (N.P.L.).

John Lambert Gibson. Director of Gibson Bros. Industries Limited; Director of Giant Mascot Mines Limited (N.P.L.).

William A. McElmoyle. Physician and Surgeon in private practice in Victoria, British Columbia; Director of Giant Mascot Mines Limited (N.P.L.).

(s) No Director or Officer of the Company has any interest, direct or indirect, in the Company's properties other than to the extent that they are shareholders of Giant Mascot Mines Limited (N.P.L.), the vendor to the Company of the properties described in items (m) A.1, (m) B.1 and (m) C hereof.

(t) No remuneration has been paid by the Company to Directors or Officers since the incorporation of the Company.

(u) No decision as to the payment of remuneration to Directors or Officers has been made by the Company, and, therefore, no estimate as to the amount of such remuneration can be made.

(v) Giant Mascot Mines Limited (N.P.L.), by virtue of the shares which it has received for the properties which it has sold to the Company, is the largest shareholder of the Company and as such may be in a position to elect a majority of the Directors of the Company.

(w) No dividends have been paid by the Company.

(x) There are no further material facts not disclosed in this Prospectus save that, as set out in Article 139 of the Articles of Association of the Company, the Company has been incorporated with the general intention that, to the extent that circumstances from time to time may admit, the Company will carry out the acquisition, prospecting and exploration of mining properties with a view to establishing whether the same warrant development for production, whereupon, if such is the case, the Company, in the discretion of its Directors, may enter into agreements for the further exploration and/or development of such properties upon such terms and conditions as may seem advantageous to the Company and in consideration for (but without restricting the generality of the foregoing) a continuing interest therein, direct or indirect; and, in this connection, the Directors of the Company, if they see fit, may first offer any such properties to the said Giant Mascot Mines Limited (N.P.L.) for further exploration and/or development before offering the same to any other Companies.

It is also contemplated that the said Giant Mascot Mines Limited (N.P.L.) may furnish certain management services to the Company.

The foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above, as required by the "Securities Act" of the Province of British Columbia, and there is no further material information applicable other than in the financial statements or reports where required.

W. CLARKE GIBSON
L. P. STARCK
A. JAMES CHILCOTT
W. A. McELMOYLE
J. L. GIBSON

GIANT MASCOT MINES LIMITED (N.P.L.)
PER W. Clarke Gibson

President

PER Allan H. Ainsworth

Secretary

To the best of the knowledge, information and belief of the undersigned, the foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of the securities referred to above, as required by the "Securities Act" of the Province of British Columbia, and there is no further information applicable other than in the financial statements or reports where required.

C. M. OLIVER & COMPANY LIMITED
PER A. James Chilcott

President

Vancouver, British Columbia
February 1, 1966.

GIANT EXPLORATIONS LIMITED

(NON-PERSONAL LIABILITY)

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the period from November 22, 1965 to February 1, 1966

FUNDS PROVIDED BY:

Sale of 1,053,219 shares at 50 cents each	\$ 526,609.50
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FUNDS WERE APPLIED TO:

Purchase of mineral claims	\$ 4,200.00	
Payment on option to purchase mineral claims	200.00	4,400.00

CASH ON HAND		<u>\$ 522,209.50</u>
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GIANT EXPLORATIONS LIMITED

(NON-PERSONAL LIABILITY)

PRO FORMA BALANCE SHEET FEBRUARY 1, 1966

ASSETS

Cash.....	\$ 522,209.50
Mineral Claims.....	54,200.00
Payment on option to purchase mineral claims.....	200.00
Underwriting fee.....	35,000.00
Preliminary expenses.....	5,002.50
	<hr/>
	\$ 616,612.00

LIABILITIES

Accounts payable.....		\$ 40,000.00
SHARE CAPITAL:		
<i>Authorized —</i>		
5,000,000 shares of no par value		
<i>Issued —</i>		
500,000 shares at 10 cents each.....	\$ 50,000.00	
1,053,224 shares at 50 cents each.....	526,612.00	576,612.00
	<hr/>	
CONTINGENT LIABILITY:		
Balance due under option to purchase mineral claims.....	\$ 148,000.00	
	<hr/>	
		<hr/>
		\$ 616,612.00

Approved on behalf of the Board:

W. C. GIBSON, Director

A. J. CHILCOTT, Director

The above Pro Forma Balance Sheet has been prepared from information and explanations given by the directors of the Company without formal verification by me. I am, therefore, unable to express an opinion thereon.

Vancouver, B.C.
February 4, 1966.

R. M. HOYLAND
CHARTERED ACCOUNTANT

REPORT ON THE NAHWITTI LAKE PROPERTY

NORTHERN VANCOUVER ISLAND, B.C.

OF

GIANT EXPLORATIONS LIMITED (N.P.L.)

INTRODUCTION

This report is an appraisal of the property held by Giant Explorations Limited (N.P.L.) in the Nahwitti Lake area, Northern Vancouver Island, B.C. The Company holds 83 claims, either staked or under option, south and south west of Nahwitti Lake. No underground or surface plant and equipment are presently in place on the property.

The writer has spent considerable time working in the general area in the past and this report is based on his earlier knowledge of the area plus his observations made during a recent trip to the property of Giant Explorations on November 21, 1965.

SUMMARY AND CONCLUSIONS

The Giant Explorations property consists of 83 mineral claims and fractions, either staked or under option, located 17 miles west of Port Hardy on Northern Vancouver Island. The claims area is underlain by limestone, volcanic flows and granodiorite and diorite intrusives. Mineralization, in the form of sphalerite, galena, and chalcopyrite, together with pyrite, pyrrhotite, and magnetite has been exposed at numerous points within a belt approximately five miles long. The known mineral occurrences generally occur as contact metamorphic deposits in skarn and silicified limestone zones within the limestone formation.

The two principal showings are the H.P.H. to the south east of Nahwitti Lake and the "Cu" showing south of the Lake. Most exploration in the past has been conducted towards exploring the main showing on the H.P.H. claims on which two short shafts, a 110 foot adit and a limited amount of diamond drilling have been carried out. A limited amount of diamond drilling has also been carried out south of Nahwitti Lake, east of the "Cu" showing. Aside from this, work has consisted of surface stripping, with shallow test pits and trenches.

The property is readily accessible—a forestry access road passes through the entire length of the claims.

Following are the conclusions arrived at with regards to the Giant Explorations Limited property:

The property is underlain by favorable rock formations, the principal one being the Quatsino Limestone. Most of the major known mineral deposits on Vancouver Island are associated with the same formations.

Mineralization throughout the area is widespread. Appreciable values in lead—zinc—copper and silver have been found at numerous points within the property.

Work in the past, consisting mainly of stripping, shallow pits, and trenches, while useful in showing the presence of mineralized areas, has not indicated the limits of these sections. Also, except along the creeks, rock exposures are few and detailed prospecting using geochemical and geophysical methods is necessary to fully evaluate the area.

The property is in a relatively easy and inexpensive area to work. Access is very good and exploration can be conducted year around. Compared to most areas as accessible as this, the area has received relatively little exploration activity and the potential of locating further mineralized zones as well as extending known ones is considered good.

RECOMMENDATIONS AND COST ESTIMATE

The following exploration program is recommended initially for the Giant Explorations, Nahwitti Lake property.

1. Geological mapping: Reconnaissance mapping should be carried out over the entire claim group and the area prospected in detail. In addition, the known showings should be mapped in detail. Ground sluicing may be a useful and inexpensive method of further exposing the known showings, in particular, the "Cu" showing.

2. Geochemical soil sampling should be carried out in conjunction with the reconnaissance mapping and prospecting.

3. Geophysics: An electro-magnetic survey should be conducted in the areas of the principal mineral occurrences and in any favourable areas as indicated by the mapping and prospecting.

4. Diamond-drilling: The total amount of diamond drilling necessary cannot be determined at present. However, in view of the information presently known 4,000 feet of drilling should be allowed for initially, to be divided between the H.P.H. and South Shore showings.

The following cost estimate is for an exploration program employing five men for a period of four months, to carry out the aforementioned recommendations. Upon completion of this program it can be anticipated that further work, principally diamond drilling, will be warranted.

Camp installation	\$ 2,000	
Salaries	10,000	
Camp costs and supplies	3,000	
Equipment (truck, camp equipment, E. M. rental, geochemical supplies)	3,000	
Miscellaneous (administration, travel, assays, telephone etc.)	4,000	\$22,000
Diamond Drilling (allow for minimum 4,000 feet @ \$7 per foot)		28,000
		<hr/> 50,000
plus 20% contingency		10,000
		<hr/> TOTAL
		\$60,000

LOCATION AND ACCESS

The Giant Explorations property lies south and southeast of Nahwitti Lake, on Northern Vancouver Island, between 15 and 19 miles west of Port Hardy, B.C. Co-ordinates of the property are 50° 42' North latitude, 127° 50' West longitude.

Access to Port Hardy is by road, boat or daily airline service. From Port Hardy the property is accessible by a Forestry access road which passes through the claim group.

PHYSIOGRAPHY

Topography

The claim group lies within an area of moderate to steep topographic relief. Elevations vary from 660 feet at Nahwitti Lake to approximately 2,000 feet along the southern boundary of the claims. The principal topographic features are Nahwitti Lake, 2¼ miles long, and Nahwitti river, flowing westerly into the lake. Numerous small streams, often occupying narrow, steep-sided canyons, flow northerly through the claims.

Climate and Timber

The property lies within an area of high precipitation and moderate temperatures. Rain can be expected throughout the year; snow may fall during the winter months but seldom lasts at the lower elevations for any appreciable length of time. Sufficient water is available for diamond drilling and other exploration purposes.

Heavy timber, consisting principally of cedar, balsam, and hemlock is present throughout the area, with logging operations in progress nearby. Thus timber for mining and exploration purposes is plentiful.

CLAIM STATUS

Claim Name	Record No.	Claim Name	Record No.
Finger Fr.	18041	HPH 1	8597
Amex Fr.	18042	HPH 2	8598
Fracture Fr.	18043	HPH 3	8599
Ras 1	17866	Audrey 1	18260
Ras 2	17867	Audrey 2	18261
Ras 3	17868	Audrey 3	18262
Ras 4	17869	Silva 1	18263
Dolores	18015	Silva 2	18264
Debby	18016	Silva 3	18265
Diane	18017	Silva 4	18266
Dodi	18018	Silva 5	18267
Dolly	18019	Silva 6	18268
Donna	18020	Aqua 1	18275
Gigi	18021	Aqua 2	18276
Joanne	18022	Aqua 3	18277
Noxie	18023	Aqua 4	18278
Pagoda	18024	Aqua 5	18279
Weevils Club	18025	Aqua 6	18280
Alder Bush	18026	Aqua 7	18281
Teapot	18027	Aqua 8	18282
Peapot	18028	Aqua 9	18283
Wubble U	18029	Aqua 10	18284
Open Up	18030	Ruth 1	18285
Seaside	18031	Ruth 2	18286
Hillside	18032	Ruth 3	18287

Doinspiece	18033	Ruth 4	18288
Rackafratz	18034	Ruth 5	18289
Norma	18035	Ruth 6	18290
Judy	18036	Ruth 7	18291
Crab	18037	Ruth 8	18292
Arapahoe	18038	Ruth 9	18293
Last Post	18039	Ruth 10	18294
Last Gasp	18040	Violet	18274
Norman 1	17384	Silva 7	18269
Norman 2	17385	Silva 8	18270
R L H 1	17863	Silva 9	18271
R L H 2	17864	Silva 10	18272
R L H 3	17865	Rain 1	18213
L P S 1	17859	Rain 2	18214
L P S 2	17860	Rain 3	18215
L P S 3	17861	Rain 4	18216
L P S 4	17862		

Four of the claims on the property, Wubble U, Seaside, Doinspiece and Rackafratz, may have been staked in contravention but their status can only be ascertained on survey.

HISTORY

Within the Company's holdings are mineral showings along the south shore of Nahwitti Lake formerly known as the South Shore Group, and those to the south east of the Lake, referred to as the H.P.H. Group.

The H.P.H. group was originally staked in 1930; the South Shore group around 1936. The properties have been optioned and restaked at various times with work performed consisting mostly of shallow open cuts and test pits. The principal work carried out in the area was performed by American Smelting and Refining Company which optioned the H.P.H. property in 1930-31 and again, along with the area comprising the South Shore Group, in 1951-52. On the H.P.H. group two small shafts were sunk each to a depth of approximately 25 feet and a 110 foot adit driven on the main showing as well as numerous test pits and trenches in the surrounding area. Limited diamond drilling was carried out on both the H.P.H. and the South Shore groups. The locations of most of the holes are not known by the writer. A total of 698 feet of diamond drilling has been recorded for assessment work on the H.P.H. group.

GEOLOGY

General

Geological mapping in the area has been very limited. To the east and south-east of Nahwitti Lake and along the south shore a limestone belt, varying up to several thousand feet in width, strikes slightly north of west and dips moderately to the south. A narrow section of similar limestone also occurs intermittently along the north shore of the Lake. This limestone horizon corresponds to the Quatsino Formation of Upper Triassic Age. To the south, the Quatsino Formation is overlain by andesites, basalts, tuffs and dacites belonging to the Upper Triassic, and possibly later, Bonanza Group. Underlying the Quatsino Formation are lavas of basaltic and andesitic composition belonging to the Karmutsen Group of Upper Triassic, and possibly earlier, age. These rocks have been intruded by several bodies, possibly connected, of granodiorite and diorite.

In many places the limestone, and occasionally the adjoining volcanic rocks have been altered to a garnet-epidote skarn.

Structure

In general the beds strike west to north-west and dip gently to moderately south. Where mapped in detail, the strata are often contorted by minor folds. Numerous minor shears have been noted but insufficient work has been done to indicate any major structural features.

Economic Geology

Numerous mineral occurrences are known to occur in a belt approximately five miles long, extending from the west end of Nahwitti Lake easterly to a point $2\frac{3}{4}$ miles east of the Lake.

The principal economic minerals occurring in the area are sphalerite, galena, chalcopryite, and magnetite. In addition, erratic gold-silver values occur and minor molybdenite has been noted.

Within the ground held by Giant Explorations the two principal showings occur on the H.P.H. claims, and approximately 8,000 feet west of the east end of Nahwitti Lake, 600 feet south of the Lake shore.

H.P.H.

Fifteen mineral occurrences are reported to exist on the H.P.H. claims along a length of 4,500 feet. Mineralization consists of sphalerite and galena with varying silver values. Most of these occurrences were explored in the past by surface stripping and shallow test pits and trenches, but in nearly all cases the workings are badly sloughed in. The principal showing consists of sphalerite and galena with lesser pyrite, pyrrhotite and magnetite occurring as an irregular replacement body in altered limestone. The zone, which varies up to twelve feet in width, has been traced for approximately 150 feet in a westerly direction.

Silver-lead ratios vary from approximately $\frac{3}{4}$ to 2:1. Selected samples reported on in the past have assayed in excess of 100 ounces per ton in silver. This showing has been explored by two short shafts and a 110 foot adit. The easternmost shaft is filled with water; the western shaft is an incline which breaks into a cave 25 feet below the collar. A narrow mineralized stringer (up to 14 inches wide) was intersected in the adit approximately 50 feet below the surface showing.

South Shore

A number of showings containing lead-zinc-copper mineralization have been exposed along the south shore of Nahwitti Lake. The principal showing in this group lies approximately 600 feet south of the Lake in the west bank of a small creek entering the Lake 8,000 feet west of its eastern end. Recent work on this showing has exposed an irregular zone of sulphides consisting of pyrite, sphalerite, chalcopryite, and galena in a skarn zone within dense grey limestone. Insufficient work has been done to determine any structural control of the zone. Moderate to strong chalcopryite and sphalerite are exposed for $11\frac{1}{2}$ feet across the slope. Approximately 30 feet north-east of the principal showing blasting on a second bench has exposed eight feet of chalcopryite mineralization. The

apparent trend of these two sections is N 50° E dipping moderately to the south.

Five samples taken on these two showings returned the following assay values:

Sample No.	Width	Au (oz/T)	Ag (oz/T)	Cu %	Pb %	Zn%
7806	2.5	0.005	1.90	4.30	0.08	5.77
7807	3.0	0.02	3.20	6.70	0.30	6.20
7808	6.0	tr	0.70	0.44	0.05	12.35
7809	12.0	0.01	0.65	0.37	tr	9.95
7810	7.0	0.005	0.75	1.26	0.08	0.05

Measured from the above mentioned showings, other similar but less spectacular occurrences have been exposed 1,400 feet to the west, 1,500 feet south-east and 2,000 feet south-easterly. The one situated 1,500 feet southeast consists of three small exposures within a distance of 500 feet in a northerly direction. These consist of minor sphalerite, galena, and chalcopryite in silicified limestone and skarn. It is believed that the drilling carried out by American Smelting & Refining Company was on and to the immediate west of these showings. Two samples taken from these exposures returned the following assay values:

Sample No.	Width	Au (oz/T)	Ag (oz/T)	Cu %	Pb %	Zn%
7811	grab	tr	0.05	0.47	0.15	0.12
7812	grab	0.005	0.90	0.30	9.25	13.03

REFERENCES

- B.C. Minister of Mines Annual Reports: 1930, pp. 297; 1931, pp. 171, 172; 1963, pp. F47-52.
G.S.C. Summary Report 1931, Pt A., p. 37A.

Respectfully submitted

November 24, 1965.

R. H. D. Philp, P.Eng.

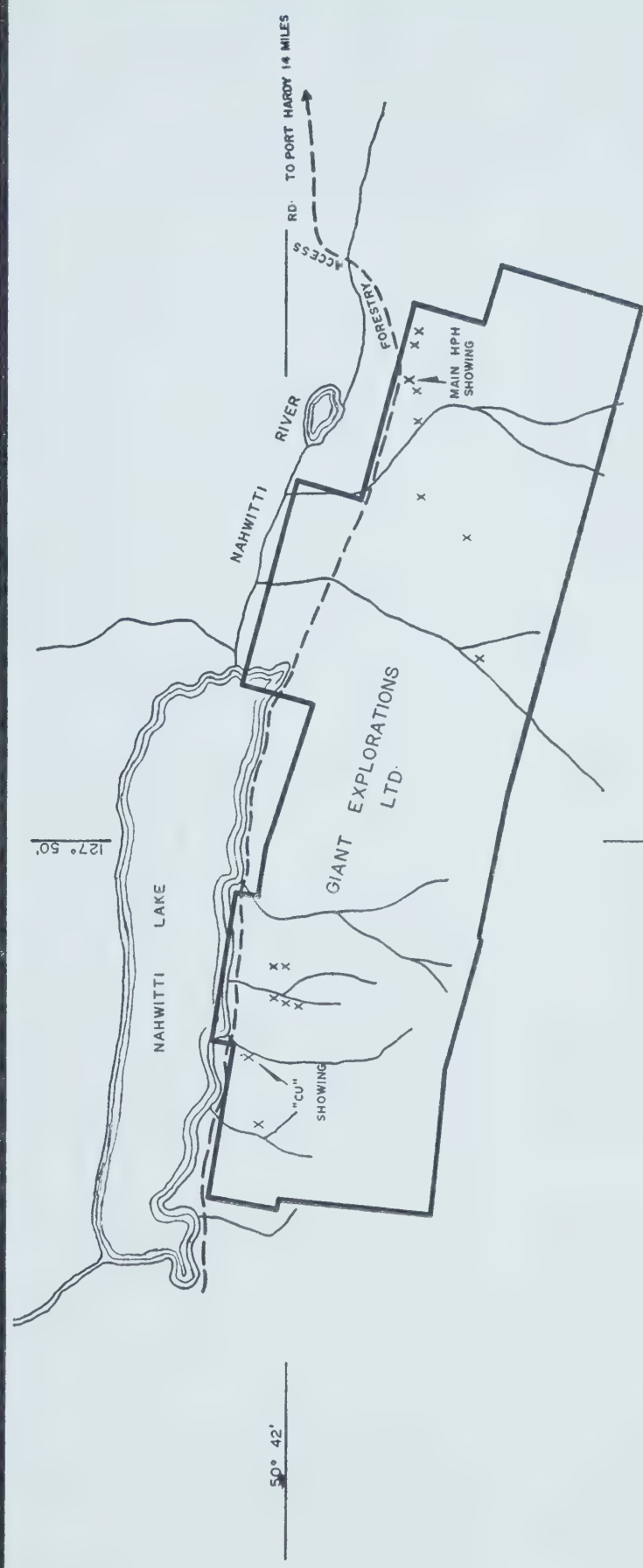
CERTIFICATE

I, Ronald H. D. Philp of 812 Blundell Road, Richmond, British Columbia, do hereby certify that:

1. I am a registered Professional Engineer of the Province of British Columbia.
2. I am a graduate from the University of British Columbia (B.A.Sc., 1961).
3. I have practiced my profession since 1961 while employed with Casco Consultants, Ltd., Asbestos Corporation (Explorations) Ltd., Alrae Exploration Limited.
4. My report is based on my knowledge of the area, having worked there in 1962 and 1963, plus a recent examination on November 21, 1965 of the Giant Explorations Limited (N.P.L.) Nahwitti Lake Property.
5. I have no interest, nor do I expect to receive any interest, in the property described herein or securities of Giant Explorations Limited (N.P.L.).

Vancouver, B.C.
November 24, 1965.

R. H. D. Philp, P.Eng.



GIANT EXPLORATIONS LTD.

ALRAE EXPLORATION LTD.
GEOLOGISTS AND ENGINEERS
VANCOUVER, B.C.

DESIGNED	R.H.P.	SCALE	1" = 2000'
DRAWN	C.L.C.	HOR.	
CHECKED		VERT.	
APPROVED		DATE	NOV. 25 1965
		JOB NO.	
		CLIENT DWG. NO.	
		ALRAE EXP. LTD. DWG. NO.	
		REV.	

MINERAL OCCURRENCE X

GIANT EXPLORATIONS LIMITED (N.P.L.)

AB 1-27 CLAIM GROUP, MAG CLAIM GROUP PINE POINT AREA, NORTHWEST TERRITORIES

INTRODUCTION

At the request of Giant Explorations the writer visited the Pine Point area, N.W.T. and examined the AB and MAG claim Groups on the ground. All available geological information on the area was studied prior to preparation of this report.

Lead-zinc mineralization has been known to occur in the Presqu'île Formation in the Pine Point area for a number of years, essentially as the result of exploration conducted by the Consolidated Mining & Smelting Co. Ltd. The completion of adequate road, rail, and hydro-electric power facilities now permits economic exploitation of ore deposits.

Pine Point Mines Ltd. recently started open pit production and now has a 5,000 ton per day concentrator in operation. The discovery of a new ore zone on the property of Pyramid Mines Ltd. has added impetus to exploration throughout the whole Pine Point area.

The Geological Survey of Canada Memoir 322 by A. W. Norris, 1965, gives detailed geological information based largely on bore holes for gas wells, and diamond drilling by Consolidated Mining & Smelting Co. Ltd. Rock outcrops are sparse, being found occasionally along the shores of Great Slave Lake and the banks of rivers traversing the area.

The ground on the AB Group is generally flat-lying and covered by stands of white spruce 4" to 10" butts, with minor areas of relatively open swamp. On the MAG Group the timber is less extensive and of smaller size, with the majority of the area covered by swamp. It is believed that no outcrops occur on either property and certainly none were seen during the visit due to snow cover. No work has previously been done on either claim group, nor are there any buildings or mining equipment thereon.

LOCATION AND ACCESS

The Pine Point area is approximately 725 miles by road north of Edmonton. The towns of Hay River and Pine Point, N.W.T. are along the south shore of Great Slave Lake and are serviced by the Canadian National Railway and an all weather gravel road.

The AB claims are approximately 6 miles south of Great Slave Lake, 20 miles east of Hay River and 4 miles north of the road and railway connecting Pine Point and Hay River.

The MAG claim group is approximately 10 miles due east of Pine Point and 7 miles south of Great Slave Lake. A winter road extends easterly from the Pine Point airfield to within 6 miles of the property.

CLAIM GROUPS

The claims comprising each group are as follows:

Group	Name	Tag Number
AB	AB 1	N30750
	AB 2 to 27 (incl.)	N30752 to N30777 (incl.)
MAG	MAG 39 to 43 (incl.)	N52639 to N52643 (incl.)
	MAG 46 to 50 "	N52646 to N52650 "
	MAG 53 to 57 "	N52653 to N52657 "
	MAG 60 to 64 "	N52660 to N52664 "
	MAG 67 to 71 "	N52667 to N52671 "
	MAG 74 to 78 "	N52674 to N52678 "
	MAG 81 to 85 "	N52681 to N52685 "
	MAG 88 to 92 "	N52688 to N52692 "

The AB claims are contiguous and constitute a block approximately 12,000 feet east-west by 5,000 feet north-south and are shown on the Department of Resources and Development Map No. 85B-14.

The MAG claims are also contiguous, forming a block approximately 10,600 feet east-west by 8,000 feet north-south. They are shown on the Department of Resources and Development Map No. 85B-16.

GEOLOGY

The Pine Point area is underlain by a series of generally flat-lying Devonian or Ordovician sediments which trend north-westerly and dip 1° to 2° to the southwest, and lie on the Precambrian basement rocks which outcrop some 90 miles to the east. The sediments have been subjected to folding, resulting in gentle, closely-spaced anticlines, synclines, domes, and basins, accompanied with minor faulting. These structures trend N 70° E. Major faulting in the Precambrian basement, which may be traced for many miles along the south shore of Great Slave Lake, striking N 45° E, occurs below and south of the Pine Point ore bodies.

The Presqu'île Formation, a coarse grained, vuggy, dolomitic reef structure occurs within the sedimentary series and has been traced by surface exposure and drilling from the Pine Point area on the south shore to the Windy Point area on the northwest shore of Great Slave Lake, a distance of some 75 miles along strike. It is likewise known to extend down dip at least 30 miles to the southwest. The ore bodies at Pine Point Mines Ltd. are found within this formation.

Sufficient geological information is not yet available to detail the controls of ore deposition, but the irregular build up of reef formation, folding of the sediments and major faulting in the basement rocks, appear to be important factors in the introduction and concentration of sulphide mineralization.

The sulphide minerals found in the Pine Point ores are

sphalerite, galena, marcasite, and minor pyrrhotite and chalcopyrite. Silver content is negligible. The lead to zinc ratio is from 1:4 to 1:2, the latter being rich ores. Total combined lead-zinc content varies from nil to more than 50% of the sulphides in selected sections of the ore zones. Individual ore bodies at Pine Point Mines are elongated to the southwest, with dimensions up to 150 feet thick, 300 feet wide and 400 to 500 feet long, in the order of 1.5 million tons.

The sedimentary formations underlying the AB claim group may be inferred from detailed drilling information 5.5 miles to the east. From this location for 25 miles farther east the succession of formations, including the Presqu'ile Formation, is unbroken. It therefore appears reasonable to project these formations westerly under the AB Group.

In order of increasing age the formations are:

1. Hay River Formation—Green calcareous shale.
2. Slave Point Formation—Brown fragmental limestone, with greenish grey "Amco" shale at its base.
3. Presqu'ile Formation—Grey crystalline dolomite, interbedded with—Sulphur Point Formation, grey to brown limestone.
4. Fine grained dolomite, shales, evaporites and sandstone.

It is estimated that the Presqu'ile dolomite will be 350 to 400 feet below surface.

The formations underlying the MAG Group may be as follows in increasing order of age:

1. Nyarling Formation—Gypsum, minor limestone and dolomite.
2. Pine Point Formation—Fine grained dolomite.
3. Limestone and Evaporites.

It is significant to note that the Nyarling Formation occupies the same stratigraphic horizon as the Presqu'ile Formation and attains thicknesses up to at least 400 feet. It is characteristic of sedimentary formations and reef structures in particular, to pinch out and recur at irregular intervals within definite stratigraphic horizons, thus presenting the possibility that some Presqu'ile Formation may underlie the claims.

The closest geological control is about 2.5 miles to the north where Consolidated Mining & Smelting Co. Ltd. diamond drilling indicates folding and minor faulting in sandy dolomites and limestone of the Pine Point Formation.

A major fault in the basement Precambrian rocks has been mapped by Norris and traverses the southeast corner of the group.

Further interpretation of the geology underlying the claims will be dependent on the outcome of future exploration.

CONCLUSIONS AND RECOMMENDATIONS

The presence of lead and zinc mineralization in economic concentrations in the Presqu'ile Formation is established in the Pine Point area.

On the AB Group it is reasonable to anticipate that the same succession of formations, including the favorable Presqu'ile as is known to occur farther east, will be found below the claims. The AB claim group, therefore, offers good exploration possibilities.

The facts that the Nyarling Formation, which apparently underlies the MAG claims is within the same stratigraphic

horizon as the Presqu'ile, and that a major fault in the basement rocks traverses a portion of the property, combine to indicate interesting exploration possibilities on the MAG Group.

The following program is recommended to test both properties for concentrations of sulphide mineralization.

1. An Induced Polarization survey of each entire claim group on grid lines spaced not more than 500 feet apart.
2. Diamond drilling of anomalous areas indicated by the above surveys.

COST ESTIMATE

The costs of exploration work are estimated from the latest available information, but should be considered as approximations.

	AB	MAG	TOTAL
1. Line cutting, baseline and grid lines 500' apart.			
33 line miles @ \$100	\$ 3,300		
40 line miles @ \$100		\$ 4,000	
Total in line cutting cost			\$ 7,300
2. I. P. Survey and attendant services			
30 line miles @ \$500	15,000		
37 line miles @ \$500		18,500	
Total I. P. cost			33,500
3. Preliminary diamond drilling			
3,000 feet each @ \$8	24,000	24,000	
Total drilling cost			48,000
TOTALS	\$42,300	\$46,500	\$88,800

Early success in diamond drilling would necessitate an appreciable increase in the above drill footage estimate to fully evaluate the property.

GENERAL STATEMENT

It is the writers opinion that the above program is justified, taking into consideration all exploration and production information available to date.

Respectfully submitted
January 25, 1966. Walter E. Clarke, B.Sc. P.Eng.

CERTIFICATE

I, Walter E. Clarke of the City of Vancouver, British Columbia do here certify that:

1. I am a consulting geological engineer.
2. I am a graduate of Queen's University, Kingston, Ontario (B.Sc. Geology and Mineralogy, 1939).
3. I am a registered Professional Engineer of the Province of Ontario (Mining) and a member of the Canadian Institute of Mining and Metallurgy.
4. I have practiced my profession for over 25 years with Buffalo Ankerite Gold Mines Ltd., United Keno Hill Mines Ltd., Geco Mines Ltd., Rayrock Mines Ltd., and Alrae Exploration Ltd.
5. I have traversed the AB and MAG claims, January 15, 1966 and studied available geological information on the region.

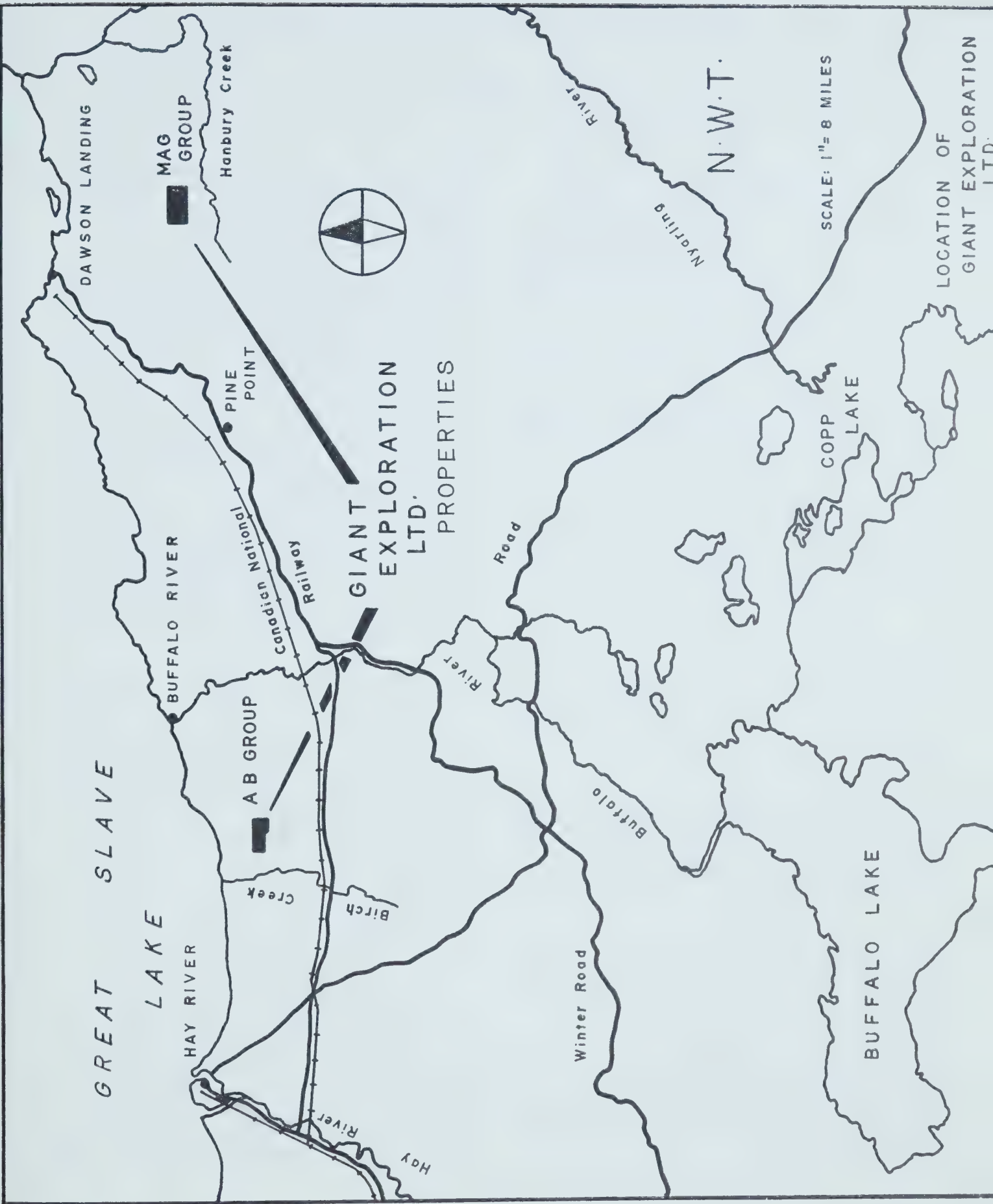
6. I have not received nor do I expect to receive any interest either directly or indirectly in the properties described herein or securities of Giant Explorations Limited (N.P.L.). The AB claims have been located for Giant Mascot Mines Ltd. on a contract basis by Alrae Exploration Ltd.

Dated this 25th day of January, 1966.

Walter E. Clarke, B.Sc. P.Eng.

REFERENCES

- Campbell, N: 1957, Stratigraphy and Structure of Pine Point Area, N.W.T.; in Structural Geology of Canadian Ore Deposits, Vol 11, 6th Commonwealth Mining and Metallurgical Congress, Canada, pp. 161-174.
- Norris, A. W. 1965, Stratigraphy of Middle Devonian and Older Palaeozoic Rocks of the Great Slave Lake Region, N.W.T.; Memoir 322; Geological Survey of Canada.



GIANT EXPLORATIONS LIMITED (N.P.L.)

O.K. CLAIMS

VANGORDA CREEK AREA, YUKON

INTRODUCTION

During November 1965 Alrae Exploration Ltd. employees staked 16 claims in the currently active Vangorda Creek area, Yukon Territory for Giant Mascot Mines Ltd. (N.P.L.) which has now transferred the same to Giant Explorations Limited (N.P.L.).

Dynasty Explorations Ltd. and Kerr Addison Mines Ltd. have both developed potential lead and zinc ore bodies in this region. Dynasty has been particularly active during the past two years and currently holds over 2,000 claims in the area.

The Vangorda Creek ore zone was first discovered in 1953 and was tested by Prospectors Airways Ltd. at that time. Although it is reported to contain 10 million tons of 8% combined lead and zinc, 0.3% copper, and 2 ounces of silver per ton, it has remained undeveloped.

The writer did not examine the geology of the claims now held by Giant Explorations but has studied published and unpublished reports describing the economic and regional geology. No exploration or development work has been done on the claims and there is no mining equipment on the property.

LOCATION AND ACCESS

The O.K. claims are located near the headwaters of Blind Creek in Central Yukon. This is approximately nine miles north of Swim Lakes, 40 miles northwest of the town of Ross River and 180 miles northeast of Whitehorse.

A new road is under construction from Watson Lake to Carmacks via Ross River and is now open to the Canol Road junction near Ross River.

Dynasty Explorations Ltd. has made winter roads to their various properties and an ice bridge is used to cross the Pelly River. Barge crossings are made in the summer months. Dynasty has also constructed three landing fields up to 4,000 feet long, one of which is on the Giant Explorations claims holdings. Seaplanes may also use the several small lakes in the general area for landings.

CLAIMS

The claims held by Giant Explorations Limited (N.P.L.) are the O.K. 9 to 24 inclusive, Grant No's 94988 to 95003 Blind Creek Area, Sheet 105-K-7.

GEOLOGY

The Dynasty Explorations and Vangorda Mines (Kerr Addison) deposits occur within Mississippian schist and andesite. These rocks form an anticlinal structure trending northwesterly along the northeast side of the Tintina Fault in the Pelly River Valley.

The Mississippian rocks have been intruded by Cretaceous granodiorite which often exhibits porphyritic texture. This intrusive occurs approximately three miles to the west of the O.K. claims and four miles to the east.

Metallic minerals occurring in the region are pyrite, pyrrhotite, galena, sphalerite and minor chalcopyrite. Magnetite and graphite are also found in the schists.

Ore bodies so far developed (Dynasty and Kerr-Addison) consist of massive and disseminated sulphide replacement within the schist. Individual zones tend to be tabular gently dipping masses within fine grained quartz carbonate schist. Metallic minerals form laminations, possibly due to the preferential replacement of carbonate rich bands. Lesser amounts of sulphides also occur in sericitic and chloritic schists. Disseminated sulphides are very fine grained within the schists necessitating very close observation during prospecting and mapping.

Although magnetite and graphite make geophysical methods difficult exploration has been successful using Aeromagnetometer, soil and stream sediment testing, ground magnetometer, electromagnetic surveys and gravity surveys. Aeromagnetic survey of over 100 square miles of favourable schist by Dynasty Explorations Ltd. produced many anomalies. These were subsequently staked and are currently being explored by ground methods.

CONCLUSIONS AND RECOMMENDATIONS

The O.K. claims are underlain by the favourable Mississippian schists of the Vangorda Creek area and are immediately south of a large aeromagnetic anomaly on the Ace group of claims owned by Dynasty Explorations Ltd. To explore the claims for sulphide mineralization the following program is recommended:

1. Prospecting and reconnaissance geological mapping of the claim area.
2. Preparation of a base line and picket lines at 400 foot spacing.
3. Soil testing (total heavy metals) and magnetometer survey of the claim area.
4. Detailed magnetometer survey in anomalous area.
5. Electromagnetic survey of the grid area.
6. Surface testing, diamond drilling or percussion drilling of coincident anomalies of the above surveys.

It is recommended that any heavy equipment (fuel, lumber, camp equipment etc.) be trucked as far as possible toward the claims on the north side of the Pelly River before spring break up (by April 1st). Best supply route for smaller equipment during the summer will be by aircraft to the landing field on the claims. Services of a four wheel drive vehicle would facilitate operations greatly.

COST ESTIMATE

Approximate costs of the above work is as follows:

1) Prospecting, mapping, initial camp construction	\$ 6,000
2) Grid system	2,500
3) Soil testing	2,500
4) Magnetometer survey (including detail)	2,000
5) Electromagnetic survey	2,500
6) Diamond Drilling or percussion drilling	30,000
7) Camp maintenance and supplies	8,000
TOTAL	\$53,500

Drilling is necessary only in the event that suitable anomalies are discovered. Should drilling encounter economically interesting sulphide minerals a much larger drill program would be necessary to evaluate the discovery.

Respectfully Submitted,

Rae G. Jury, P. Eng.

January 15, 1966.

CERTIFICATE

I, Rae G. Jury of the City of Vancouver, British Columbia do hereby certify that:

1. I am a consulting geological engineer.
2. I am a graduate of Queen's University in Kingston (B.Sc. in Geological Sciences 1957).
3. I am a registered Professional Engineer of the Provinces of British Columbia and Ontario and also a Junior Member of the Canadian Institute of Mining and Metallurgy.

4. I have practised my profession since 1957 with Labrador Mining and Exploration Company, Que-mont Mining Corporation, Canadian Johns Manville Co. Ltd., and Alrae Exploration Ltd.
5. I have not personally examined the geology of the O.K. claims but have studied available geological information and interviewed technical personnel who have worked in the area.
6. I have not received nor do I expect to receive any interest either directly or indirectly in the properties described herein or securities of Giant Explorations Limited (N.P.L.). The O.K. claims were located for Giant Mascot Mines Limited (N.P.L.) on a contract basis by Alrae Exploration Ltd.

Dated this 15th day of January, 1966.

Rae G. Jury, P.Eng.

REFERENCES

- Roddick, J. A. and Green L. H.; 1961, Tay River, Yukon Territory; Geological Survey of Canada. Map scale 1" = 4 miles.
- Green, L. H., and Godwin, C. I.; 1964, The Mineral Industry of Yukon Territory and Southwestern District of Mackenzie, Northwest Territories, 1963. Geological Survey of Canada, Paper 64-36, pp. 31, 32.
- Green, L. H. 1965, The Mineral Industry of Yukon Territory and Southwestern District of Mackenzie; Geological Survey of Canada, Paper 65-19, pp. 38 to 40.

AR36

GIANT EXPLORATIONS LIMITED

(NON-PERSONAL LIABILITY)

1825 - 355 BURRARD STREET
VANCOUVER 1, B.C.

August 15, 1966

TO THE SHAREHOLDERS:

We are pleased to advise that of the four properties acquired by the Company in its formulative stages, encouraging results have been obtained on the three on which work has been done.

In the Pine Point area, North West Territories, airborne geophysical surveys by Klyceptor Surveys Ltd. have indicated four anomalies on the Mag Group and two on the A.B. Group. An induced polarization survey on the Mag Group disclosed an anomalous area which coincides with the Klyceptor A4 anomaly. A detailed aerial geophysical survey has recently been completed on the A.B. anomalies and the final report is expected shortly. Consideration is being given to a diamond drilling program on these claims this fall. The Company has also optioned the Rue Group of 36 claims to the east of the Mag Group.

Geological mapping of the Nahwitti Lake holdings on northern Vancouver Island is nearly completed and the geochemical survey is well in hand. The geochemical work has to date established an anomalous zone some 50 to 100 feet wide, by 600 feet long and open at both ends. Detailed prospecting within this zone has disclosed 8 mineralized exposures along a strike length of 450 feet. A grab sample from one cut assayed 82.3 oz. silver, 8.7% lead and 16.5% zinc and a chip sample from another cut assayed 11.3 oz. silver, 5.2% lead, and 3.3% zinc across 7 feet. Further geological and geochemical work will be done in this area before selecting diamond drilling targets. In addition, 1469 feet of diamond drilling was done on the property to obtain geologic information. This work encountered the following interesting intersections —

Hole NL2 — 31 feet of 1.09% copper
and

Hole NL4 — 31.5 feet of 1.62% copper

Further drilling is planned to fully test the zone.

No work has been done on the OK Group in the Vangorda-Dynasty area, Yukon Territory, due to weather conditions and a shortage of experienced personnel. However, it is expected that line cutting and geophysical work will be underway by September.

The Company has acquired and optioned other properties of merit in the Hope-Princeton, Babine Lake, Barriere, Likely, Columbia Valley and Kelsey Bay areas.

The 8 Hope Summit claims near Allison Pass, Hope-Princeton highway, cover an area of zinc, copper, gold and silver mineralization with exposures over an area of 3,000 feet by 1,000 feet. Diamond drilling is presently in progress.

A 6-man crew is engaged in a geological and geochemical survey of the Babine Lake claims in which your Company holds a 25% interest. Initially the work is being concentrated in the area of an aerial geophysical anomaly with the object of establishing diamond drill targets. These claims are on the Newman peninsula between the Newman Copper property of Noranda and the Granisle property. Recent reports on Newman Copper indicate a tonnage of 30,000,000 tons, grading slightly better than 0.46% copper. Granisle expect to be in production by the fall of this year.

No work has been done on the claims in the Barriere area.

A surface program is planned for late summer on the 71 claims in the Likely area, adjoining Cariboo-Bell, which are held jointly by Giant Explorations Ltd. and Giant Mascot Mines Limited.

A limited diamond drilling program was undertaken on the Lead Mountain property of Giant Mascot Mines Limited in the Columbia Valley near Columbia River Mines, but the results were disappointing and the option was dropped.

Numerous other properties have been examined during the past few months, but nothing of merit was found.

The Fraser Syndicate was formed with American Mining and Smelting to prospect, by geologic, geophysical and geochemical methods, a 400 square mile area in the Fraser Valley. This season's expenditures are estimated at \$27,000 of which Giant Explorations is committed for 1/3 and Asarco Explorations Co. Ltd. for 2/3.

Giant Explorations has since its inception acquired, by purchase and option, 11 properties of merit of which 7 are being actively explored and on which to date, promising indications have been obtained on three.

On behalf of the Board,

W. CLARKE GIBSON,
President.

